

# HOUSE BILL REPORT

## SSB 5058

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**As Reported by House Committee On:**  
Transportation

**Title:** An act relating to changing the payment date of motor vehicle fuel tax and special fuel tax when paying by electronic funds transfer.

**Brief Description:** Modifying fuel tax payment requirements.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senators Haugen, Swecker, Prentice, Jacobsen and Weinstein).

**Brief History:**

**Committee Activity:**

Transportation: 3/28/05, 3/31/05 [DP].

**Brief Summary of Substitute Bill**

- Motor vehicle fuel taxes and special fuel taxes are due the 26th day of the month following the reporting period when remitting fuel tax payments.
- Distributor is allowed to remit fuel tax payments to fuel supplier seven days before the 26th day of the month following the reporting period.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 26 members: Representatives Murray, Chair; Wallace, Vice Chair; Woods, Ranking Minority Member; Appleton, Buck, Campbell, Curtis, Dickerson, Ericksen, Flannigan, Hankins, Hudgins, Jarrett, Kilmer, Lovick, Morris, Nixon, Rodne, Schindler, Sells, Shabro, Simpson, B. Sullivan, Takko, Upthegrove and Wood.

**Staff:** Jerry Long (786-7306).

**Background:**

Prior to 1998, motor vehicle fuel taxes and special fuel taxes were due on the next to the last day of the month following the reporting period. In 1998, the Legislature enacted the "tax at the rack" fuel tax collection method. As part of that legislation, suppliers were made responsible for the payment of the tax.

The fuel tax reports and payments are due to the state on or before the 25th day of the next succeeding calendar month following the period in which the report relates. If the filing date falls on a Saturday, Sunday, or legal holiday, the next business day will be the filing date.

If the tax being paid is \$50,000 dollars or more, the payment is made using an electronic funds transfer. If paying by an electronic funds transfer, the report is still due on the 25th day of the month following the reporting period, but the supplier can pay the tax due on the 10th calendar day of the second month following the reporting period. When the reporting period is May, the tax is paid on the last business day of June.

Distributors, if paying the suppliers by electronic funds transfer, could elect to pay the suppliers the tax on fuel purchased up to two days before the last business day of the following month.

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**Summary of Bill:**

Motor vehicle fuel taxes and special fuel taxes are due the 26th day of the month following the reporting period when remitting payment by electronic funds transfer.

A distributor is allowed to remit fuel tax payments to a supplier seven business days before the 26th day of the month following the reporting period.

Repeals two obsolete statutes relating to the implementation of "tax at the rack" which are no longer required. (RCW 82.36.405 and RCW 82.38.289)

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect on July 1, 2005.

**Testimony For:** None.

**Testimony Against:** None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying:** None.